

## Message Text

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ACTION EA-09

INFO OCT-01 EUR-12 ISO-00 CIAE-00 DODE-00 PM-04 H-02

INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15

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FM AMCONSUL HONG KONG

TO SECSTATE WASHDC 2923

INFO AMEMBASSY MOSCOW

AMEMBASSY PARIS

USLO PEKING

AMEMBASSY TAIPEI

AMEMBASSY SINGAPORE

AMEMBASSY TOKYO

CINCPAC

C O N F I D E N T I A L HONG KONG 14015

CINCPAC FOR POLAD

E.O. 11652 GDS

TAGS: PINT, PINR, CH

SUBJECT: CONSTRAINTS ON THE HUA LEADERSHIP

REF: A) HONG KONG 13712, B) HONG KONG 13014; C) PEKING 2342;  
D) STATE 285819

INTRODUCTION AND SUMMARY: EARLIER, WE SUGGESTED A FRAMEWORK FOR ANALYZING THE HUA REGIME AND ITS PERFORMANCE IN UPCOMING MONTHS (REF B), REFTEL A SET THE STAGE FOR ANALYSIS OF WHAT HUA KUO-FENG NEEDED TO DO TO LEGITIMIZE HIS CONTROL OVER THE CHI NSE POLITICAL SYSTEM. THIS PAPER CONSIDERS PROBLEMS THAT THE NEW CHAIRMAN HAS ENCOUNTERED AND THE PROSPECTS FOR THE DEVELOPMENT OF A STABLE POST-MAO LEADERSHIP.

RECENT MEDIA ARTICLE IMPLY THAT HUA KUO-FENG MAY BE LIMITED IN HIS ABILITY TO ACT AS AN IDEPENDENT FIGURE DESPITE HIS ELEVATION TO THE PARTY CHAIRMANSHIP. EVEN  
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THOUGPSTHE HUA REGIME SEEMS TO BE MOVING AHEAD IN DEALING

WITH PERSISTENT FACTIONAL PROBLEMS AND THE REMOVAL OF SUPPORTERS OF THE "GANG OF FOUR" HUA'S PERSONAL AUTHORITY WILL PROBABLY UNDERGO A LONG AND ARDUOUS PERIOD OF TESTING. WITH RESISTANCE BY NUMEROUS FACTIONAL AND INSTITUTIONAL FORCES A DISTINCT POSSIBILITY. END INTRODUCTION AND SUMMARY.

1. ON THE SURFACE, HUA KUO-FENG RAPID ASSUMPTION OF THE PARTY CHAIRMANSHIP AND THE QUICK DEMISE OF THE "GANG OF FOUR" SUGGEST THAT THE NEW LEADERSHIP IS IN FIRM CONTROL AND ABLE TO MEET PRESSING PROBLEMS WITH RESOLUTE AUTHORITY. INDEED, THERE ARE SIGNS THAT THE NEW LEADERSHIP IS MOVING AHEAD IN SEVERAL AREAS:

--A NOVEMBER 21 FUKIEN BORADCAST REVEALED THAT SCORES OF PLA TROOPS HAVE MOVED INTO POLITICAL, ECONOMIC, AND SOCIAL UNITS IN A BID TO END ENDEMIC FACTIONALISM IN THIS STRATEGICALLY LOCATED PROVINCE OPPOSITE TAIWAN (HONG KONG 13663);

--SUPPORTERS OF THE "GANG OF FOUR" IN LIAONING, HONAN HUNAN, AND KIANGSI, ALTHOUGH AS YET UNNAMED, ARE BEING SINGLED OUT FOR ATTACK AND PROBABLE REMOVAL (HONG KONG 13580);

--FORWARD-LOOKING POLICIES ARE BEING ADVANCED IN FOREIGN TRADE (HONG KONG 12840) WHILE PLANNING IS UNDERWAY FOR A SECOND NATIONAL CONFERENCE ON LEARNING FROM TACHAI (UNDER-SCORING AGRICULTURAL MECHANIZATION);

--A STANDING COMMITTEE MEETING OF THE FOURTH NATIONAL PEOPLE'S CONGRESS WAS CALLED ON NOVEMBER 30 TO CONSIDER PERSONNEL APPOINTMENT AND DISMISSALS AND PROVIDE A BALANCE OF LEGITIMACY TO THE NEW REGIME.

2. HUA'S ASSUMPTION OF THE CHAIRMANSHIP, HOWEVER, LEAVES MANY UNANSWERED QUESTIONS. THE ACTUAL EVENTS SURROUNDING THE ARREST OF THE "GANG OF FOUR" STILL REMAIN UNCLEAR, BUT THEY COULD PROVIDE A KEY TO UNDERSTANDING THE DEGREE OF HUA'S PERSONAL AUTHORITY IN THE NEW REGIME. WE FEEL THAT IT IS LIKELY THAT EVEN BEFORE THE DEATH OF MAO, MOVES AGAINST THE "GANG OF FOUR" WERE BEING CONTEMPLATED. WE PRESUME THESE PLANS HAD THE BACKING OF CAREFULLY SELECTED POLITICAL AND MILITARY LEADERS, INCLUDING CCP VICE CHAIRMAN/DEFENSE MINISTER YEH CHIEN-YING AND KEY PEKING MILITARY REGION FIGURES WITH THE "GANG OF FOUR" ONLY PARTLY AWARE OF THE CONFIDENTIAL

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THREAT TO ITS POSITION. HOW MUCH HUA TOOK THE INITIATIVE OR HOW MUCH OTHERS ACTED IN ADVANCING THE DECISION TO ROUT THE FOUR IS UNCERTAIN, BUT WE SUSPECT HUA HAD BEEN ASSURED THAT THE SUPPORT OF KEY MILITARY AND BUREAUCRATIC LEADERS WOULD BE FORTHCOMING. THIS MEANS THAT HUA'S CURRENT POSITION IS IN GOOD MEASURE MORTGAGED TO BUREAUCRATIC INTEREST GROUPS WITH THE MILITARY BEING THE MOST IMPORTANT PILLAR OF THE NEW REGIME.

3. DESPITE THESE LIMITATIONS ON HUA'S FLEXIBILITY, IT IS OUR JUDGEMENT THAT HUA IS ACTING WITH A CONSIDERABLE DEGREE OF PERSONEL AUTHORITY TO MEET PRESSING PROBLEMS--EARTHQUAKE RELIEF, FACTIONAL PROBLEMS IN FUKIEN, DISRUPTION IN THE ECONOMY--AND HE COULD VERY WELL ACCOMPLISH MUCH IN UPCOMING MONTHS. HOWEVER, AN OFFICIAL NOVEMBER 28 PEOPLE'S DAILY EDITORIAL BACKED OFF FROM EARLIER INDICATIONS OF A CRACKDOWN ON DISSIDENT ELEMENTS (LIBERATION ARMY DAILY NOVEMBER 22 AND TOOK A MUCH MORE LENIENT STAND TOWARD "GANG OF FOUR" SUPPORTERS, SUGGESTING THAT DIFFERENCES STILL EXIST AMONG CHINA'S LEADERS ON THIS SENSITIVE ISSUE (HONG KONG 13843).

4. IN ANY CASE, USE OF THE PLA AND A DETERMINED "WITCH-HUNT" FOR SUPPORTERS OF THE "GANG OF FOUR" WOULD NOT END HUA'S AUTHORITY PROBLEMS. WHILE HE MIGHT SUCCEED IN ARRESTING SCORES OF CONSPIRATORS AND OUTWARDLY RESTORE PROVINCIAL AUTHORITY THE INTERACTION OF INSTITUTIONALIZED FORCES AND PRESSURE GROUPS IN SOCIETY WILL STILL SUSTAIN ITS OWN MOMENTUM. OVER-RELIANCE ON THE PLA WILL PROBABLY CAUSE CONSTERNATION AMONG MANY OF CHINA'S CIVILIAN LEADERS, WITH THE 1971 LIN BIAO AFFAIR A BLUNT REMINDER THAT CERTAIN MILITARY LEADERS COULD ATTEMPT TO DOMINATE COMPLETELY THE CHINESE POLITICAL PROCESS AND PUSH THE NEW CHAIRMAN ASIDE.

5. THE RESOLUTION OF THE TENG HSIANG-PING CASE AND WHETHER OR NOT HE WILL BE ALLOWED TO REJOIN THE LEADERSHIP IS ANOTHER POTENTIAL PROBLEM FOR HUA. MANY ARTICLES ARE MAKING INCREASINGLY FAVORABLE MENTION OF TENG-ASSOCIATED POLICIES. AND THE MEDIA HAVE NOT PUT MUCH OF THE BLAME FOR THE ANTI-TENG CAMPAIGN ON THE "GANG OF FOUR". TENG'S RETURN, INsofar AS IT SERVES TO BRING BACK A CIVILIAN LEADER WHO WOULD HAVE

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CONSIDERABLE INFLUENCE WITH THE MILITARY, IS PROBABLY DESIRED BY A NUMBER OF CHOUIST BUREAUCRATS, HOWEVER HUA KUO-FENG'S RISE WAS TIED DIRECTLY TO TENG HSIANG-PING'S FALL AND THE SUDDEN RETURN OF TENG COULD ULTIMATELY REPRESENT A WEAKENING OF HUA'S AUTHORITY.

6. FURTHERMORE, SOCIAL PRESSURES INCLUDING DISSATISFACTION AMONG MILLIONS OF DISPLACED DOWN-TO-THE COUNTRYSIDE YOUTH, DISGRUNTLED WORKERS, GENERATIONAL CONFLICT WITHIN AN OSSIFIED PARTY AND STATE BUREAUCRACY, AND COMPETITION OVER SCARCE RESOURCES WILL REMAIN AS PROBLEMS AND MUST BE DEALT WITH. MOST OF THESE ISSUES AFFECT INTEREST GROUPS AND COULD FURTHER REDUCE HUA'S AUTHORITY. AN AUTHORITARIAN HUA LEADERSHIP, USING THE PLA TO RESTORE PARTY CONTROL, WILL NOT MAKE THESE PRESSURES GO AWAY, BUT WILL MERELY SUBDUCE THEM.

HUA CAN CLAMP DOWN ON FACTIONAL PROBLEMS AND PURGE THE  
SYSTEM OF "GANG OF FOUR" DISSIDENTS, BUT HE MUST GIVE CLEAR  
SIGNS THAT PROBLEMS WILL BE MET HEAD ON WITH A REASONABLE  
PROSPECT OF SATISFACTORY RESULTS. ONLY THEN CAN WE SAY  
THAT CHINA HAS MOVED INTO THE POST-MAO ERA WITH A COHESIVE  
LEADERSHIP. HOW THE HUA REGIME IS BEGINNING TO SOLVE SOME

OF THESE ISSUES AND THE PROJECTION OF A NEW LEADERSHIP STYLE  
WILL BE THE SUBJECT OF OUR NEXT ANALYSIS.  
CROSS

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## Message Attributes

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